



TANZANIA REVENUE AUTHORITY





ISO 9001:2015 CERTIFIED

TAXES AND DUTIES AT A GLANCE 2025



JULY, 2025

TAXES FOR OUR DEVELOPMENT

    @Tanzania Revenue Authority



VISION

A Trusted Revenue Administration
for Socio-Economic Development

MISSION

We Make it Easy to Pay Tax and Enhance
Compliance for Sustainable Development

THEMES

Operational Excellence
Taxpayers' Engagement
Automation
Innovation

CORE VALUES

Accountability
Integrity
Professionalism
Trustworthy



TAXES AND DUTIES AT GLANCE 2025

JULY, 2025

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A. DIRECT TAXES**RATES**

No.	TAX SOURCE	RESIDENT	NON RESIDENT
1.0 Corporation Tax:			
(a)	Tax rate on total income of a corporation	30%	30%
(b)	An entity has not made distribution for the year of income for a period of twelve months, after the end of the year of income, then 30% of the undistributed income will be deemed as distributed.	10%	N/A
(c)	Corporations with perpetual unrelieved losses for 3 consecutive years excluding corporation conducting agricultural business, tea processing, provision of health and education services Note: For the case of corporation conducting tea processing, the above provision started to apply from 1st July, 2024 to 30th June, 2027	1%	N/A
(d)	Sale of forest produce to pay income tax by way of single instalment for Individuals. (Timber, Logs, Mirunda and Poles) starting on 1 January 2026	2%	N/A

(e)	Newly listed corporation in the Dar es Salaam Stock Exchange (DSE), with at least 25% of its equity ownership issued to the public for three consecutive years from the date of listing	25%	25%
(f)	To increase the percentage of taxable income that will not be reduced by unrealized losses from 30 percent to 40 percent in the extractive sectors.	30%	N/A
(g)	A newly established entity dealing with manufacturing of pharmaceuticals or leather products and having a performance agreement with the Government of the URT shall be taxed at reduced corporate rate for five consecutive years from the year of commencement of production.	20%	N/A
(h)	Total income of a Domestic Permanent Establishment.	N/A	30%
(i)	Digital Service Tax (DST) Payments received by a non-resident person who renders electronic services consumed in the URT.	N/A	2%
(j)	Repatriated income of a domestic permanent establishment of a non-resident	N/A	10%

2.0 Withholding tax on:			
(a)	(i) Dividends payments made by corporations listed in the Dar es salaam Stock Exchange	5%	5%
	Withholding tax on Commission for gaming advertisement or promotion	10%	N/A
	Withholding tax on payments for purchase of salt.	2%	N/A
(b)	Dividends payments made by other corporations	10%	10%
(c)	Commission payments on money transfer through mobile phones	10%	N/A
(d)	Commission, fees or other charges paid by commercial bank and digital services agents	10%	N/A
(e)	i) Interest payment	10%	10%
	ii) Interest payment to a holder of corporate or municipal bonds issued and listed in the Dar es Salaam Stock Exchange with effect from 1st July, 2022	NIL	N/A
(f)	i) Royalty payment	10%	15%
	ii) Royalty payments applicable to the film industry.	10%	10%
	iii) Royalty payment to sports entity or Tanzania Football Federation	5%	N/A
(g)	Payment of Management and Technical services fees (mining, oil and gas)	5%	15%

(h)	Payment in respect of transport services to non-resident operator or charterer without permanent establishment. It is exempted on Payment received in respect of carriage of fish or horticulture products by a foreign aircraft	N/A	5%
(i)	i) Rental payments on land and buildings	10%	20%
	ii) Hiring of Motor Vehicle, private Aircraft, in the scope of withholding tax.	10%	15%
	iii) Rental payments on construction equipment or machinery	10%	10%
	iv) A resident or non-resident person who makes payment to a resident digital content creator.	5%	NA
	v) A resident person or non-resident person who owns a digital asset exchange platform or facilitates the exchange or transfer of a digital asset and makes payment to resident person.	3%	NA
	vi) Rent other assets	N/A	15%
(j)	Insurance Premium Payments	N/A	15%
(k)	Natural Resources Payments	15%	15%
(l)	Professional and other Services Payment	10%	15%
(m)	Payment of Directors' Fee (Non-full time Directors)	15%	15%
(n)	Payments for goods sold to Government or any institution substantially financed by Government	2%	N/A

(o)	Natural Resources Payment made to a Resident individual who is a holder of primary mining licence or artisanal miner for sale of minerals Note: Tax withheld to persons other than mentioned above shall be non-final withholding tax	2%	N/A
(p)	Payment made to a Local Government Authority, local community or any resident individual in respect of verified carbon emission reduction Note: Tax withheld to persons other than mentioned above shall be non-final withholding tax Note: Submission of statement of tax withheld and Payment of withholding taxes should be within 7 days after the month of deduction.	10%	N/A

3.0 Gains on Realization of an Asset

a) Land and Buildings

i)	Land or Buildings for a person who has records of cost of asset. It is charged on gain on realization of asset.	10%	30%
ii)	Land or Buildings for a resident individual who has no records of cost of asset. It is charged on agreed price or approved value of asset whichever is greater.	3%	N/A
iii)	Petroleum or mineral rights	30%	30%
iv)	Shares or securities held in a resident entity	10%	20%

b) Exemption on realization of Investment assets:	
	a) Private residence that has been owned and lived in for three or more - Gains of TZS 15 million or less (Sale of a residential house below a prescribed threshold)
	<p>b) Agricultural land used for at least 2 of the 3 years prior to realization - Market value of less than TZS 10 million</p> <p>c) Shares - DSE shares held by a person with shareholding less than 25%</p> <p>d) Amounts derived from gain on realization or transfer of mineral rights and mineral information to a partnership entity formed between the Government and an investor, or transfer of free carried interest shares, or transfer of shares to the Government through the Treasury Registrar</p> <p>e) Transfer of assets between husband and wife</p> <p>f) Transfer of assets due to divorce or legal separation</p> <p>g) Transfer of assets to a spouse or former spouse on death</p> <p>h) Transfer of assets by will or inheritance</p> <p>i) Disposal of Treasury Bills and Government Bonds</p> <p>j) Intra-group transfers or reorganizations approved by the Commissioner</p>

4.0 Resident Individual Income Tax (Tanzania Mainland and Zanzibar) With effect from 1st July 2021

Monthly Income	Tax Rate
Where total income does not exceed TZS270,000/=	NIL
Where total income exceeds TZS 270,000but does not exceed TZS 520,000/=	8% of the amount in excess of TZS 270,000/=

Where total income exceeds TZS 520,000but does not exceed TZS 760,000/=	TZS 20,000/= plus 20% of the amount in excess of TZS 520,000/=
Where total income exceeds TZS 760,000/=but does not exceed TZS 1,000,000/=	TZS 68,000/= plus 25% of the amount in excess of TZS 760,000/=
Where total income exceeds TZS 1,000,000/=	TZS 128,000/= plus 30% of the amount in excess of TZS 1,000,000/=

Notes:

- ✓ Annual Income of TZS 3,240,000 /= is not taxable
- ✓ An employee who makes donation as per Section 12 of the Education Fund Act, the donation is allowable expenses from tax. However, the donation is upon approval by the Commissioner
- ✓ Remunerations paid to a non-resident employee of a resident employer is subject to withholding tax of 15%.
- ✓ The total income of non-resident individual is chargeable at the rate of 30%
- ✓ An employee with secondary employment is chargeable at the rate of 30%.
- ✓ Submission of return and Payment of amount withheld from employment should be within 7 days after the month of deduction.
- ✓ A non-resident individual whose income for the year of income consists exclusively of income from employment is exempted to file a return of income.

4.1 Benefit in Kind

(a) Provision of Premises including furniture

Benefit in kind is calculated as follows

The lesser of

- i) The market value rental of the premises
- ii) The greater of
 - (a) 15% of the total income of the employee without provision of premises
 - (b) Expenditure claimed by employer in respect of premises.

(b) Use of Motor Vehicle

Its calculation is based on engine size of Vehicle and age of the vehicle since it was manufactured as follows

	Engine Size of Vehicle	Less than 5 years old	More than 5 years old
	Not exceeding 1000 cc	TZS 250,000/=	TZS 125,000/=
	Above 1000 cc but not exceeding 2000 cc	TZS 500,000/=	TZS 250,000/=
	Above 2000 cc but not exceeding 3000 cc	TZS 1,000,000/=	TZS 500,000/=
	Above 3000 cc	TZS 1,500,000/=	TZS 750,000/=

5.0 Skills Development Levy (SDL)

- (i) Rate is 3.5% of the monthly gross emolument for Tanzania Mainland.
Payable by employer with 10 or more employees
- ii) Rate is 4% of the monthly gross emolument for Tanzania Zanzibar.
Payable by employer with 4 or more employees
- iii) The return shall be filed by an employer who is eligible for paying the levy

Employers Exempted from Payment SDL

- a) A Government Department or a Public Institution which is wholly financed by the Government
- b) Diplomatic Missions
- c) The United Nations and its organizations
- d) International and other foreign institutions dealing with aid or technical assistance
- e) Local Government Authority

- f) Religious institutions whose Employees are solely employed to administer places of worship, to give religious instructions or generally to minister religion and provision of public health
- g) Charitable organizations
- h) **Intern students from higher learning institutions** or technical and vocational education and training institutions who are under the Tanzania Employment Service Agency program
- i) Farm employers whose employees are directly and solely engaged in farming
- j) Registered educational Institutions Schools including Nursery, Primary and Secondary Schools; Vocational, Educational and Training Schools; intern students from higher learning institutions.
- k) Water Supply and Sanitation Authority on Payment of Casual Laborers engaged in implementation of water and sanitation project.
- l) The Minister responsible for finance may, in consultation with the Minister responsible for education and by order published in the *Gazette*, exempt any person from paying SDL

Note:

- ✓ The gross emoluments include wages, salary, leave pay, sick pay, payment in lieu of leave, fees commission, gratuity, bonuses, any subsistence, travelling or entertainment allowances.
- ✓ Exemptions for Zanzibar is applicable only from (a) to e) above.
- ✓ Filing of Returns and Payment of SDL should be done within seven (7) days after the month of payment.

6.0 The Individual Presumptive Tax Rates

Annual Turnover	Not keeping Records	Keeping Records
Where turnover does not exceed TZS 4,000,000/=	NIL	NIL
Where turnover exceeds TZS 4,000,000/= and but does not exceed 7,000,000/=	TZS 100,000/=	3% of the turnover in excess of TZS 4,000,000/=
Where turnover exceeds TZS 7,000,000/= but does not exceed TZS 11,000,0000/=	TZS 250,000/=	TZS 90,000/= plus 3% of the turnover in excess of TZS 7,000,000/=
Where turnover is between TZS 11,000,001/= and TZS 100,000,000/=		3.5% of turnover

7.0 The rates of income tax for a resident individual engaged in transportation of passengers or goods

Class A : Passenger Service Vehicles	
Number of Passengers	Tax Payables
Up to 5	120,000
6 to 15	250,000
16 to 30	650,000
31 to 45	1,100,000
46 to 65	1,600,000
Above 65	2,200,000
Class B: Tour Service Vehicles	
Number of Tourist	Tax Payable
Up to 15	650,000

16 to 25	900,000
26 to 45	1,300,000
46 to 65	1,800,000
Above 65	2,400,000
Class C: Goods Carrying Vehicles	
Capacity (Tonnes)	Tax Payable
Up to 500kg	120,000
Above 500kg to 1 tonne	250,000
1 to 5 tonnes	500,000
6 to 10 tonnes	750,000
11 to 15 tonnes	1,100,000
16 to 20 tonnes	1,300,000
21 to 25 tonnes	1,650,000
26 to 30 tonnes	1,900,000
More than 30	2,200,000
Class D: Private Hire Service Vehicles	
Category of Vehicles	Tax Payable
Taxi	180,000
Ride Hailing	350,000
Ride Sharing	450,000
Special Hire	750,000

Note:

- An individual person who has turnover exceeds TZS 100,000,000/= per annum, is he/she is obliged to prepare Audited Financial Statements in respect of his or her business and file return of Income.

- A person whose turnover is TZS 11,000,000/= or above shall issue fiscal receipt.
- A person whose turnover is below TZS 11,000,000/= shall issue manual receipt in duplicate copy with particulars of:- date, full name of the person sold the goods with TIN thereon, full description of the goods, full name and address to whom the goods were sold.
- Presumptive tax system does not include individual person who provide professional services, construction industry and trainers.
- Return of income of an individual whose turnover in a year of income exceeds 500 million or a corporation whose gross income exceeds 100m to be prepared or certified by CPA -PP

8.0 Fiscal Receipts

- ❖ A person who supplies goods or renders services whose turnover exceeds TZS 11,000,000/= per annum is obliged issue fiscal receipt.
- ❖ A person who fails to issue fiscal receipt or issues fiscal receipt that is false or incorrect commits an offence and shall be liable to; A fine of TZS 2,000,000.00 or 20% of the value of goods sold or services rendered, whichever is greater. Provided that, the fine shall not exceed TZS 4,000,000.00, or liable to imprisonment for a term not exceeding three years or both.
- ❖ Any person who fails to demand fiscal receipts upon receiving of goods or services or payment for goods or service commits an offence and shall be liable to a fine of 20% of the tax evaded or TZS 40,000.00, whichever is greater.
- ❖ Expenditure incurred by a person during the year of income on goods or services relating to the production of income shall be supported by fiscal receipt except where the person providing the goods or services-
 - (a) is a non-resident person with no permanent establishment in the United Republic; or
 - (b) has been excluded from a requirement to issue fiscal receipt

9.0 Submission of returns and payment of Income tax

(a) Income Tax Returns

Due Dates for Submission of Income Tax Returns

Type of Obligation	Who Files / Pays	Due Date
Statement of Estimated Tax Payable (SOETP)	All taxpayers with taxable income (companies, professionals, businesses)	Within 3 months from start of the year of income
Quarterly Instalment Payments	Same taxpayers who filed SOETP	Last day of 3rd, 6th, 9th & 12th month of the year of income
Return of Income (ROI) – Businesses	Companies, partnerships, and other business entities	Within 6 months after end of accounting year
Final Balance of Tax – Businesses	Companies, partnerships, other businesses	Together with ROI, i.e. within 6 months after end of accounting year
Return of Income (ROI) – Government Entities	Ministries, departments, agencies, LGAs, public institutions	30th September following end of tax year
Final Balance of Tax – Government Entities	Same government bodies	30th September

A person who fails to file a tax return on due date is liable for a penalty for each month or part of a month during which the failure continues.

The penalty is;

- ✓ **In case of an individual:** 2.5% of the amount of tax assessable or TZS 100,000 whichever is higher

In the case of an entity: 2.5% of the amount of tax assessable or TZS 300,000 whichever is higher.

Late payment of tax: Shall be charged interest at the prevailing Bank of Tanzania (BOT) statutory rate at the time of imposition.

b) Due dates for filing returns and making payments of taxes

Tax Type	When to File Return	When to Pay
Corporate Income Tax (CIT)	Final return: within 6 months after the end of the accounting year	Quarterly instalments due on last day of 3rd, 6th, 9th & 12th month; balance within 6 months after year-end
Individual / Personal Income Tax	Optional	Quarterly instalments due on last day of 3rd, 6th, 9th & 12th month; balance within 6 months after year-end
Capital Gains Tax (CGT)	Immediately at the time of asset transfer	Within 30 days of the transfer
Withholding Taxes (WHT)	By the 7th day of the next month	By the 7th day of the next month
Pay As You Earn (PAYE)	By the 7th day of the next month	By the 7th day of the next month
Digital Services Tax (DST)	By the 7th day of the next month	By the 7th day of the next month
Skills Development Levy (SDL)	By the 7th day of the next month	By the 7th day of the next month
Value Added Tax (VAT)	By the 20th day of the next month	By the 20th day of the next month
Excise Duty	By the 25th day of the next month	By the 25th day of the next month
Stamp Duty	Not periodic – filed per transaction	Payable before stamping/execution

Gaming Taxes	By the 7th day of the next month	By the 7th day of the next month
Airport Service Charge	Collected when issuing tickets	Remitted by the 20th day of the next month
Port Service Charge	By the 20th day of the next month	By the 20th day of the next month

9.1 Depreciable assets and the applicable rates

Class	Depreciable Assets	Rates
1*	Computers and data handling equipment together with peripheral devices, automobiles, buses and minibuses with a sitting capacity of less than 30 passengers, goods vehicles with a capacity less than 7 tones, construction and earth moving equipment.	37.5%
2*	Buses with a seating capacity of 30 or more passengers, heavy general purpose or specialized trucks, trailers, and trailer mounted containers, rail road cars, locomotives, and equipment, vessels, barges, tags and similar, water transportation equipment, air craft, other self-propelling vehicles, plant and machinery used in agriculture or manufacturing	25%
3*	Office furniture, fixtures and equipment, any asset not Included in another class.	12.5%
5**	Buildings, structures, dams, water reservoirs, fences, and similar works of a permanent nature used in agriculture, livestock farming or fish farming	20%
6**	Buildings, structures, international pipeline and similar works of permanent nature other than those mentioned in Class 5.	5%
7**	Intangible assets.	Over useful life of the asset

8**	Plant and machinery (Including windmills electric generators and distribution equipment) used in agriculture and Electronic Fiscal Devices (EFD) purchased by non VAT registered traders, equipment used for prospecting and exploration of minerals or petroleum.	100%
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9.2 Depreciation allowances for mineral or petroleum Operations

Year of Income	Depreciation Allowance
First Year	20% of expenditure
Second Year	20% of expenditure
Third Year	20% of expenditure
Fourth Year	20% of expenditure
Fifth Year	20% of expenditure

Note 1 * Pools of depreciable assets calculated basing on Diminishing Value Balance Method.

Note 2 ** Pools of depreciable assets calculated basing on StraightLine Method.

Note 3 * Class 4 deleted by the Finance Act 2016.

B. INDIRECT TAXES

10.0 Value Added Tax (VAT)

10.1 VAT registration threshold Tanzania Mainland:

i) Threshold-based Traders

- o Those who reasonably expect to reach the VAT registration threshold in the current year
- o Those who already achieved the threshold in the last 12 months

- o Those who achieved **half the threshold** in the last 6 months
- ii) Providers of Professional Services**
- o Any trader supplying professional services in Mainland Tanzania
- iii) Government Entities**
- o Any government body or institution carrying out economic activities
- iv) Intending Traders (Investors not yet in production)**
- o Investors who want to register before starting production so they can claim VAT on start-up costs.
 - o Must provide:
 - Evidence of intention (e.g., contracts, tenders, building/business plans, financing facilities).
 - Proof that taxable supplies will be made.
 - A clear timeframe for when production of taxable supplies will start.
- v) Compulsory Registration**
- o The Commissioner General can register a trader **compulsorily** if they default or for revenue protection
- vi) Simplified VAT Registration (Non-Resident Electronic Service Providers)**
- For foreign suppliers of electronic services (e.g., broadcasting, online streaming, social media).
 - Applies where appointing a VAT representative in Tanzania is impractical.
 - **No registration threshold required.**

10.2 VAT Rates & Withholding VAT

Description of goods / supplies and services	VAT rates
Supply of taxable goods and services in Mainland Tanzania	18%
Importation of taxable goods and services into Mainland Tanzania	18%

Payment for the supply to an Unregistered VAT consumer through a bank or electronic payment system approved by Commissioner General.(Discount rate).	16%
Withholding Tax on VAT	
Supply of goods to Withholding Agent	3%
Supply fn services to Withholding Agent	6%

10.3 Zero-Rated Supplies

Type of Supply	Zero-Rated Condition	Applicable Period (if any)
Immovable property	Land situated outside the United Republic	Ongoing
Goods	Exported goods (as defined under section 2)	Ongoing
Goods	Supplied to a tourist/visitor by a licensed duty-free vendor, with evidence that goods will be removed from the United Republic without being used locally	Ongoing
Goods	Exports not zero-rated if re-imported into Mainland Tanzania	Ongoing
Gold	Supply of gold to Bank of Tanzania	Ongoing
Gold	Supply of gold to a licensed refinery in Mainland Tanzania	Ongoing
Fertilizer	Supply of locally manufactured fertilizer	1 July 2025 – 30 June 2028

Garments	Supply of locally manufactured garments made from locally grown cotton	1 July 2025 – 30 June 2026
Goods (leased, hired, licensed, etc.)	Supply zero-rated if goods are used outside the United Republic	Ongoing
Leased goods in international territory	Treated as local use if used in United Republic before international use	Ongoing
Transport means	Not zero-rated if lease period \leq 30 days	Ongoing
Goods supplied during repair of temporary imports	Zero-rated if: (a) goods become part of/ attached to temporary imports, or are consumed during repair; (b) temporary imports are under EACMA regime, removed after service, not used locally except to perform the service	Ongoing
Goods/Services under warranty	Zero-rated if: (a) provided under agreement with non-resident warrantor (not VAT-registered); (b) goods were VAT-taxed when first imported	Ongoing
Goods	Supplies for repairing/maintaining aircraft or ship in international transport	Ongoing
Aircraft/ship stores	Goods for use/consumption/sale during international voyage/flight	Ongoing
Services	Zero-rated services: (a) International transport; (b) Insurance of goods in international transport; (c) Services on aircraft/ships in international transport; (d) Handling, towage, pilotage, salvage services for international ships/aircraft (to non-residents); (e) Ancillary services for goods in transit (\leq 30 days in port/customs area); (f) Transport & incidental services to an international pipeline	Ongoing

Services related to land	Land outside the United Republic	Ongoing
Services on goods	Services performed on goods situated outside the United Republic	Ongoing
Services performed abroad	Zero-rated if physically performed & consumed outside the United Republic	Ongoing
Services on temporary imports	Zero-rated if: (a) Goods under temporary import regime (EACMA); (b) Removed from United Republic after service & not used locally except for services	Ongoing
Services to customers abroad	Customer outside United Republic, services used/enjoyed abroad, not related to land/goods in United Republic	Ongoing
Services exclusions	Not zero-rated if: (a) right/option for later supply in United Republic; (b) non-resident contracts but services rendered to unregistered local person	Ongoing
Electricity services	Supply of electricity by Mainland supplier to Zanzibar supplier	Ongoing
IP rights services	Filing, prosecuting, licensing, enforcing IP rights for use outside United Republic	Ongoing
Telecommunication services	Supply by local telecom provider to non-resident telecom provider (including termination/transmission in United Republic)	Ongoing

10.4 VAT Changes as per Finance Act, 2025

(a) VAT exemptions

- ❖ A supply of double refined edible oil from locally grown seeds by a local manufacturer from 1st July, 2025 to 30th June, 2026

- ❖ Limit exemption on solar battery that are exclusively designed to be used in storage of solar power.
- ❖ VAT exemptions on rakes, axes, dam liner, forks and tractor new pneumatic tyres will only be granted after approval from the Ministry responsible for agriculture.
- ❖ To abolish exemptions on imported newspapers and bitumen
- ❖ To exclude from exemption list rental of motor vehicle
- ❖ To exempt piped natural gas specifically for being converted to Compressed Natural Gas (CNG) to be used exclusively for fueling motor for three years motor vehicles
- ❖ introduce export tax of **30 percent or TZS 150 per kg whichever is greater** on exports of veneered sheets of heading 44.08.
- ❖ To limit exemption on aircraft by excluding aircrafts and aircraft spare parts that are for private use.
- ❖ Exempting HS Code 8701.10.00 single axle tractors
- ❖ Supply of Blended tea from locally grown tea leaves (Hs. 0902.30.00)
- ❖ Supply of fermented tea from locally grown tea leaves (Hs. 0902.40.00)

Note that, Other exemptions are provided for under section 6 read together with the Schedule to the Value Added Tax Act, CAP. 148.

(b) VAT Deferment

To defer payment of value added tax on imported or locally manufactured capital goods, provided that, deferment on the imported capital goods shall cease to apply on 30th day of June, 2026.

Note that, Other supplies or imports eligible for VAT deferment are provided for under Section 11 of the Value Added Tax Act, CAP. 148.

10.5 VAT registration threshold Zanzibar

- ❖ Taxable turnover From TZS 100 million per annum.

10.6 VAT Rates in Zanzibar

Supply of taxable goods and services in Zanzibar	15%
Importation of taxable goods and services into Zanzibar	15%
Export of goods and certain services from Zanzibar	0%

10.7 VAT Returns and Payments:

Due date for submission of VAT return and payment is on or before 20th day of the month after a tax period.

Note:

- ✓ Where the 20th day falls on a Saturday, Sunday or a Public holiday, the value added tax return shall be lodged on the first working day following a Saturday, Sunday or a Public holiday
- ✓ VAT on Imports: The day goods are brought into **Mainland** Tanzania and in the manner accordance with East African Community Customs Management Act, 2004.

C. CUSTOMS DUTIES

11. Import Duty

Items	Duty Rates
(i) Raw materials, Pharmaceuticals and capital goods, Hand hoes, agricultural implements.	0%
(ii) Semi-finished goods	10%
(iii) Final consumer goods or finished commercial Goods	25%
(iv) For fully finished goods or special taxes items	35%

The list of goods (Negative list) in respect of which exemptions shall not be granted to the holder of certificate of incentives. The list includes: -

- (a) Non-utility vehicle classified under HS Codes 8702.10.19, 8702.90.19 and tariff heading 8703 provided that the restriction imposed shall not extend to an investor whose certificate of incentive was issued on or before 30th June, 2006

- (b) imported trailer classified under HS Code 8716.31.90 and 8716.40.90;
- (c) a motor vehicle manufactured more than eight years before importation;
- (d) office equipment, stationeries, furniture, sugar, beverages, spirits, tiles, non-utility motor vehicles, crockeries, air conditioners, fridges, cutleries, beddings, cement, steel re-enforcement bars, roofing sheets, PVC and HDPE pipes with HS Code 3917.23.00 and 3917.21.00 respectively; imported trailers and electronic equipment;
- (e) telecommunication, except capital goods, for the installation of telecommunication towers.

Extend import duty exemption granted to deemed capital goods whereby the import duty exemption shall be restricted to the tune of 75% and the investor shall pay 25% of the import duty due.

Some sensitive items are charged at a higher rate than 25% with the intention of protecting local industries.

12. Excise Duty

1. Excise Duty on Goods:

Goods listed under the **Fourth Schedule** of the Act are subject to Excise Duty at the rates shown in that Schedule.

Special Cases

- **Imported Used Spare Parts** (for motor vehicles & motorcycles), **Used Domestic Appliances** (e.g., refrigerators, washing machines, cookers, microwaves, air conditioners), and **Used Electric Appliances** (e.g., TVs, printers, photocopiers, mobile phones): **Excise Duty = 25%**
- **Imported Used Tableware, Kitchenware & Utensils** (plastics, wood, base metal, stainless steel, iron/steel, copper, aluminum, etc.): **Excise Duty = 20%**

2. Excise Duty on Imported Used Passenger Motor Vehicles:

- **Vehicles carrying less than 10 persons (including driver):**

- Aged **8–10 years** - **15% duty**
- Aged **over 10 years** - **30% duty**
- **Used Motorcycles (HS 87.11):**
- **Aged over 3 years** - **10% duty**
- **Used Four-Wheel Drive Vehicles carrying 10+ persons (including driver):**
 - If **older than 5 years**, Excise Duty = **10%**
 - Applies regardless of propulsion (diesel, petrol, electric, hybrid, etc.)
 - Categories include:
 - o 10–15 passengers
 - o 16–25 passengers
 - o Over 25 passengers

3. Excise Duty on Services:

- i) **Electronic Communication Services (voice, SMS, data):**
17% of dutiable value (service charge or voucher face value),
- ii) **Pay-to-View Television Services (cable, satellite, terrestrial, etc.):**
7% of dutiable value (subscription/service fee),
- iii) **Financial, Money Transfer & Payment Services:**
 Fees payable to the following attract **10% excise duty**:
 - Banks & financial institutions
 - Telecom operators (mobile money, payments)
 - Licensed payment service providers
 - Other independent money/payment system operators

Excise Duty items	Applicable Rate
Description of vehicle including hybrid motor vehicles	
(i) Of cylinder capacity less than 1000cc	0%
(ii) Of cylinder capacity exceeding 1000 cc but not exceeding 2000 cc	5%
(iii) Of cylinder capacity exceeding 2000cc	10%
Locally produced and imported fireworks (Fataki)	25%
Imported furniture	25%
Imported Beer	TZS 973.9
Produced beer by Imported barley	TZS 928
Locally produced Beer	TZS 630
Local produced Wines with more than 75% domestic grapes per litre	TZS 215
Others wines per litre	TZS 5615
Other grapes must with domestic grapes exceeding 75% PER LITRE	TZS 2481
Imported spirits(whiskies) per litre	TZS 4411.06
Local produced Spirits obtained by distilling grapes wine	Tshs 565
Locally produced energy drinks with not more than 300ppm per litre.	134.2
Excise duty on imported margarine	500
Imported ice cream	10%
locally produced ice cream	5%
Imported crisps per kg	100
locally manufactured crisps per kg	50

imported sausages	10%
locally produced sausages	5%
Fuel levy: Charged per litre of petrol or diesel	TZS 523 /= per litre
Petroleum Levy: Chargeable based on per litre of Kerosene, Gas Oil and Motor Spirit	TZS 250/= per litre
Tourism Development Levy	1% of price of the room without including VAT
Mobile money transaction levy on withdrawing monies	From TZS 10/= to TZS 2,000/=
Railway Development Levy: Charged based on Customs Value on goods entered for home consumption in Mainland Tanzania.	2% of CIF

13. Export Tax

- ❖ **Raw hides and skins** are charged based on 80% FOB Value or USD 0.52 / Kg whichever is greater. However, exporters under Export Processing Zone have been exempted.
- ❖ **Raw cashew nuts** is levied based on 15% FOB Value or USD 160 per metric tons whichever is greater
- ❖ Wet blue leather charged on 10% of FOB Value
- ❖ Copper waste and scrap metals HS Code 7204 and 7404 are charged at 30% or USD 150 per metric tons (whichever is higher).
- ❖ Crude sunflower oil of HS Code 1512.11.00, charged at 10% on FOB value of the commodity
- ❖ Sunflower seeds of HS Code 1206.00.00 charged at 10% on FOB value of the commodity.
- ❖ Exports of veneered sheets of heading 44.08. Charged at **30 percent or TZS 150 per kg whichever is greater**

14. Restriction on exportation or domestic use of minerals

No person shall remove or cause to be removed mineral or minerals from a mine for the purpose of export or domestic use unless that person fulfills the condition specified under the Mining Act.

15. Prohibited goods

Narcotic drugs, tear gas substances, seditious, obscene materials or literature. Used tyres for light commercial vehicles and passenger's car and other goods as provided in the law.

16. Restricted goods

Live animals, plants, fire arms, ammunitions, ivory powder waste etc. These require permit from relevant authorities.

17. Customs Processing Fee:

It is charged at 0.6% of FOB Value for processing customs document for goods entered for home consumption.

18. Imports from East African Community (EAC) Member States and SADC:

Goods produced within member states are chargeable at the rate of zero provided that the criteria of Rules of Origin are adhered to. With exception of goods manufactured under Export Processing Zones and Industries with concession. EAC Member states are Burundi, Kenya, Rwanda, South Sudan, Tanzania, Uganda and Democratic Republic of Congo.

The EAC Partner States have extended the Stay of the conditions specified in item 8 relating to the remission of duty on Completely Knocked Down kits (CKDs) for motorcycle assembly contained in Legal Notice **EAC/39/2013** until **30th June, 2026**.

Note:

- ✓ EAC is implementing Single Customs Territory which aims at minimizing restrictions on trade and border controls within the Partner States.

19. The East African Community Common External Tariff, 2022 And Customs Management Act, 2004

S/N	HS CODE	DESCRIPTION	DECISION
1.	9503.00.00	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; reduced-size ("scale") models and similar recreational models, working or not; puzzles of all kinds.	Increase duty rate to 35%
2	9612.10.10	--- Reels of 900mm width	Amend the description to replace " <i>--- Reels of 900mm width</i> " with " <i>--- Reels of a width of 900mm or more</i> "

20. Changes in Import Duty Rates/Stays of Application.

S/ NO	Item	Pre-vious duty rate	Current duty rate
1.	Wood & Construction Materials:	Fibre board, plywood, building stone	25% 35%
		Ceramic tiles	35% or USD 3/m ² , whichever is higher,
		Cement, bars & rods, flat-rolled steel products	10% 35%
		Prefabricated buildings	10%

2.	Glass & Related Products:	10%	35%	
3.	Food, Beverages & Agricultural Products:	Salt (table salt)	35% 50%	
4.		Mineral water	25% 60%	
5.		Energy drinks & non-alcoholic beer	5%	
6.		Wine & beer	10% 5%	
7.		Sugar (gap sugar for domestic use)	reduced to 35% under permit,	
8.		Edible oils (crude & refined)	10% 35% (or USD 300/MT whichever is higher),	
9.		Cocoa powder	0% 10%	
10.		Horticultural products & fruits	25% 35%	
		Textiles & Leather Products	Vitenge fabrics	50% 35%
			Cotton grey fabrics	25% or USD 0.25 per meter
	Cotton yarns		10% 25%	
	Baby diapers		25% 35%	
	Worn clothing (mi-tumba)		maintained at 35%.	

	Industrial & Miscellaneous Goods	Industrial papers (kraft, thermal papers)	10%	25%
		Nails, tacks, steel wire rod	5%	35% USD/MT whichever is higher
		Plastic products (monofilaments, kitchenware)	10%	25%
		Tyres for motorcycles	10%	25%
		Milk cans (dairy industry)		reduced to 0%,
		Cash registers & POS devices (EFD machines)		reduced to 0% (when imported by authorized suppliers/government)
		Smart cards for NIDA		reduced to 0%.

21. Industrial Development Levy charged on customs value of imported goods

Products Subject to Industrial Development Levy (IDL):

No.	HS Code	Product Description	Levy Rate
1	11.08	Starch	5%
2	17.02	Liquid glucose	5%
3	19.02	Pasta (spaghetti, macaroni, noodles, lasagne, ravioli, couscous, etc.)	15%

4	3401.11.99 / 3401.19.00	Laundry/bar soap	15%
5	4804 series	Unbleached paper	10%
6	7213.91.10 / 7213.91.90	Steel wire rod	10%
7	2203.00.10 / 2203.00.90	Beer	5%
8	2204 & 2205 series	Wine	10%
9	2202.99.00	Energy drinks	5%
10	2202.91.00	Non-alcoholic beer	5%
11	3402.50.00 / 3402.90.00	Other organic surface-active agents	10%
12	2523.29.00	Cement (Portland cement)	10%
13	7317.00.00	Nails, tacks, pins, staples	5%
14	8701.21.90 – 8701.29.90	Road tractors for semi-trailers (trucks)	10%
15	94.01 / 94.03 (excl. 9401.10.00 & 9401.20.00)	Furniture	10%
16	69.07	Ceramic tiles	5%
17	7213 series / 72.14	Steel bars and rods (construc- tion materials)	10%
18	72.09 – 7226 series	Flat-rolled steel products	5%

19	9406.10.90 / 9406.20.90 / 9406.90.90	Prefabricated buildings	10%
20	39.24	Plastic kitchen & tableware	10%
21	70.03	Cast & rolled glass	5%
22	70.04	Drawn & blown glass	5%
23	70.05	Float glass	5%
24	70.06	Worked glass (cut, bent, engraved, etc.)	5%
25	7007 series	Safety glass (tempered/lam- inated)	5%
26	7008.00.00	Insulating multi-walled glass units	5%
27	7009.91.00 / 7009.92.00	Unframed/framed mirrors	5%
28	8544.70.00	Optical fibre cables	10%

Note: Levy on Starch (No. 1), Pasta (No. 3), and Optical Fibre Cables (No. 28) starts on 1st January 2026.

22. Duty remission.

Approved by EAC Member States (valid for one year)

Duty remission allows Tanzania to temporarily reduce or eliminate import duties on raw materials and inputs used by local industries. This helps to promote local manufacturing, reduce production costs, and encourage investment.

Key Beneficiary Sectors & Products

Automotive & Transport:

- Lithium-ion batteries - 0% duty on raw materials for local vehicle & motorcycle assembly.
- Three-wheel cargo vehicles (CKD kits) - 10% duty.
- Wiring harnesses for vehicles/motorcycles - 0% duty.
- Radiator manufacturing inputs - 0% duty.

Construction & Industrial Goods

- Waterproofing membranes - 0% duty on bitumen, polyester nonwoven, rubber oil, PE film; 10% on colored sand.
- Optical fibre cables - 0% duty on inputs.
- Glass reinforced plastic pipes - 0% duty on inputs.
- Electrical cables - 0% duty on inputs.
- Capital goods/equipment manufacturing - 0% duty on inputs.

Food & Agriculture:

- Wheat grain - 10% duty (instead of 35%) for flour production.
- Edible oils (Palm Stearin) - 0% duty for soap making.
- Fertilizers - 0% duty on raw materials.
- Agricultural seed packaging materials - 0% duty.
- Tea & coffee packaging materials - 0% duty.
- Coffee processors' packaging - 0% duty.

Packaging & Paper

- Corrugated boxes (packaging) - 0% duty on paper inputs.
- Yoghurt & milk packaging - 0% duty (instead of 25–35%).
- Labels, thermal paper rolls & plywood films - 10% duty.

Soaps, Detergents & Chemicals

- Soap noodles (for soap production) - 10% duty.
- Palm stearin (for soap) - 0% duty (instead of 10%).
- Detergents & liquid soap inputs - 0% duty.
- Leather processing chemicals - 0% duty.

Technology & Electronics

- Optical fibre cables - 0% duty on manufacturing inputs.
- EFD/POS papers & labels - 10% duty.

D. OTHER TAXES AND DUTIES

23. Stamp Duty

Items	Rate
Conveyance	
(i) Consideration below 20,000	Nil
(ii) Consideration amount exceeds TZS 20,000	0.5 percent for the first TZS100,000 then 1% for the value excess of TZS 100,000
(iii) Conveyance for agricultural land	TZS 2,000/=
(iv) Legal and commercial instruments are charged at a specific rates as specified in the law.	

Exemptions

- ❖ Receipts on sales of goods or services for business.
- ❖ Transfer of ownership of assets to the special purpose vehicles (SPV) for purpose of issuing asset-backed securities.

Note:

- ✓ Due date for payment is within 30 days from the date an instrument is executed.

24 Airport Service charges

Local Travel (Resident)	TZS 11,000/=
International Travel	USD 40.4

Submission of monthly return on or before the 20th day of the month following the month to which charges relates.

25. Port Service Charges

Resident traveler	TZS 500/=
Non – Resident	USD 5

Submission of monthly return on or before the 20th day of the month following the month to which charges relates.

Cubic Capacity (cc)	Fee
501 – 1500 cc	TZS 200,000/=
1501 – 2500cc	TZS 250,000/=
2501 and above	TZS 300,000/=
A motorcycle or a Tricycle commonly known as Bajaji, whether electric or not	TZS 50,000/=
Motor vehicle license fee charged on issuance of a certificate of registration on Electrical charging motor vehicle	
Micro Hybrid with capacity 5< Kw	TZS 50,000/=
Mild/semi Hybrid with capacity 6-30 Kw	TZS 200,000/=
Full Hybrid with capacity 31-40 Kw	TZS 250,000/=
Plug in Hybrid with capacity 41-90 Kw	TZS 300,000/=
Registration tax in respect of motor vehicle	
A motor vehicle of any cylinder capacity	TZS 250,000/=
other motor vehicles	TZS 250,000/=

Personalized Registration Number	TZS 5,000,000/= for 3 years
Special Registration Number in addition to registration fee	TZS 500,000/=

27. Electric Motor Vehicle Registration Tax

Class	Tax (TZS)
Below 50 kW/hr	95,000/=
50.1-100 kW	250,000/=
100.1-200kW	250,000/=
Above 200 kW	250,000/=

28. HIV AIDS Response Levy on first Registration Motor Vehicles

Vehicle Category/cc	Levy(TZS)
0cc to 1,000 cc	50,000/=
1001 cc to 1500 cc	100,000/=
1501cc to 2500 cc	150,000/=
2501 cc and above	200,000/=
Machinery (Excavators, Bulldozers, Fork Lifts)	250,000/=

29. Motor Vehicle Transfer fees

Motor vehicle	TZS 50,000/=
Motorcycle	TZS 27,000/=

30. Motor Vehicle Driving License

License fees renewable every 5 years	TZS 70,000/=
Driving test fees	TZS 3,000/=
Provisional license fees	TZS 10,000/=

31. The Road and Fuels Tolls Act

Imported petrol and diesel	TZS 523 per litre
Kerosene	TZS 10 per litre

The aim is to generate fund for AIDS Trust Fund and Universal Health Insurance Fund.

32. Gaming Tax

1. Casino	Rate Applicable	Due Date
i.) Casino Operation	18% of the Gross Gaming Revenue (GGR)	7th Day of the following Month
ii.) Internet Casino	25% of GGR	7th Day of the following Month
Winners Tax		
Gaming tax on Casino	13% on value of winning	7th Day of the following Month
Gaming tax	15% on value of winning	7th Day of the following Month
B: Types of Other Gaming tax		
1. Sporting betting	12% of GGR	7th Day of the following Month
2. SMS Lotteries	25% of GGR	7th Day of the following Month

3. Slot Machines	TZS 100,000 Per machine	7th Day of the following Month
4. National Lotteries	20% of GGR	7th Day of the following Month
5. Forty. Machines Sites	25% of GGR	7th Day of the following Month
6. Virtual Games	10% of GGR	
7. Other Gaming Products Licensed under Section 51	10% of GGR	

33. Levies, Fees, Income or charges from Tourism

TRA has been mandated to collect Levies, fees, income or charges from tourism sector effective from 1st July, 2020.

34. Tax Refund

- ❖ The Commissioner will make decision whether to refund or not within 90 days from the date of receipt of correct application
- ❖ The Commissioner will effect a refund within 14 days from the date of making decision
- ❖ The request for a refund of the tax paid in excess must be done within three years since the tax paid date or the date of a tax decision by court or commissioner

35. Tax Administration

Taxpayers Registration

- ❖ Every citizen registered with National Identification Authority shall be required to be registered and be allocated with TIN
- ❖ A person who becomes potentially liable to tax by reason of carrying a business, investment or employment shall apply for a TIN within 15 days from the date of commencing the business, investment or employment

- ❖ Where a person is registered and given a Taxpayer Identification Number (TIN) for the first time for the purpose of carrying on business or investment the requirement to pay installment tax under the Income Tax Act shall be deferred for a period of six months from the date when the TIN was issued.
 - ❖ A person whose tax is deferred shall pay the whole of the deferred tax in respective year in three equal installments, in the remaining period.
 - Where the deferment granted has the effect of deferring the tax payable beyond the year of income to which the tax it relates. The whole of tax payable shall be paid in the last installment period of the year of income.
 - The Commissioner General to recognize the registration of small-scale traders registered with relevant authority, requirement for TIN and minimum taxable income as criteria for small-scale traders registration.
 - The Commissioner General to establish an electronic tax administration system, integrate it with taxpayers' systems.
 - All subcontractors in the construction and extractive projects to submit reports within 30 days to the Commissioner General regarding the value of their contracts.
 - To set a three-month limit for the CG to restrain seized assets before issuing jeopardy assessment.
 - To impose a penalty of 30% of the adjusted loss where there is no tax payable after TP adjustment.
- Application for waiver to be made within fifteen days from the date of receipt of tax decision.
- The tax clearance certificate to be issued up on an application.
- Fiscal receipts for supply of motor vehicle or trailer to bear a chassis number.

A taxpayer's Representative

Representative of taxpayers in tax matters, to be a Practicing Advocate, Tax consultant or such other person authorized by power of attorney by the taxpayer.

Licensing of a Tax Consultants

Commissioner General may License an individual to act as a tax consultant on behalf of any person under a tax law for purposes of discharging the person's obligation in a tax law

Official Languages

Every taxpayer are required to use either in Swahili or English language

Tax Objection

An objection shall be **deemed** to have been **admitted**, if the taxpayer has, within a period of thirty (30) days from the date of service of tax decision, paid the amount of tax which is not in dispute or one third of the assessed tax decision whichever amount is greater.

Handling of Goods imported under Consolidation Arrangement

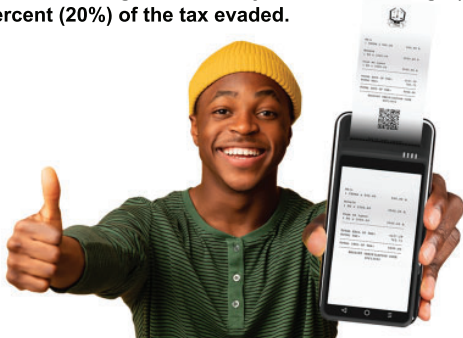
A person who bring goods into the country through consolidation arrangement as a consolidator is obliged to at the point of entry deconsolidate the cargo in accordance to customs procedures, failure of which shall be liable to a fine equal to thirty percent (30%) of the customs value the imported goods.



Penalties for Failure to issue / demand **ELECTRONIC RECEIPTS**

Any seller who fails to issue a receipt, or who issues an incorrect receipt, shall be liable to a fine equivalent to the greater of two million shillings (2,000,000) or twenty percent (20%) of the value of the goods sold; provided that such fine shall not exceed four million shillings (4,000,000). In addition, the seller may be liable to imprisonment for a term not exceeding three years, or to both such fine and imprisonment.

Any buyer who fails to demand a correct receipt shall be liable to a fine equivalent to the greater of forty thousand shillings (40,000) or twenty percent (20%) of the tax evaded.



***Whenever you sell, issue a receipt
Whenever you buy, demand a receipt!***



BENEFITS OF TAXES



**CONSTRUCTION OF SPORTS
FIELDS**



**CONSTRUCTION OF
SCHOOLS**



**CONSTRUCTION OF
HOSPITALS**



RURAL ELECTRIFICATION



**CONSTRUCTION OF
AIRPORTS**



WATER DISTRIBUTION

**Whenever you sell, issue a receipt
Whenever you buy, demand a receipt**

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or*

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“Together We Build Our Nation”

This booklet is not a substitute for the respective tax laws.
The tax laws shall prevail in case of any inadvertent conflict.